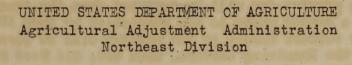
NER CI\_40-1

N 76 C





County Office Instructions for Determining Conditions Under Which Application May be Made for Transfer of Interest in An Insurance Policy (Form FCI-21-Wheat-1940) and Procedure for Handling Premium Payments in Connection Therewith

The following county office instructions relate to the conditions under which Form FCI-21-Wheat 1940, "Transfer of Interest", may be executed in connection with the voluntary transfer by the insured of all or a part of his interest in the entire insured crop before the crop is harvested, together with instructions for handling premium payments in connection therewith. Instructions for the preparation of FCI-21-Wheat-1940 are contained in Sections IX and X of FCI-11-Wheat-1940. Instructions for the preparation of Form FCI-20-Wheat-1940, "Collateral Assignment", are also contained in Sections IX and X of FCI-11-Wheat-1940 and no mention of FCI-20 is made in these instructions.

Assignee, as used herein, refers to the person to whom the transfer of insurance is being made; and, assignor refers to the original applicant.

Transfer may be approved in all cases where the entire amount of the premium has been paid in cash, or, in case the premium was paid by means of an ACP-100-Revised, the entire amount of the premium has been removed from the county office register of indebtedness as a result of a deduction made from some payment made to the applicant by the United States Government, or where one of the following conditions has been satisfied. In all cases where transfer of interest is requested an FCI-19 shall be executed prior to the time of the completion of Form FCI-21.

- 1. Request for transfer of entire interest prior to receipt of FCI-19 in State Office.
  - A. Prior to the receipt of FCI-19, "Notice of Seeding" in the State office the assignee may liquidate the entire premium in cash or the assignee may execute an ACP-100 subject to the provisions as set forth in NER-336. If one of these conditions cannot be met, transfer of interest cannot be approved by the county committee. The Agricultural Adjustment Administration in such event will hold the original applicant liable for the premium, in accordance with the ACP-100 executed by him. Where the transfer has been approved the name of the assignee will be entered on FCI-22, the word "Assignee" appearing with the name of the assignee. If the transfer was disapproved, the name of the original applicant will appear on FCI-22. The amount of the premium is to be entered on FCI-22 in the "Advance by Secretary" column.

- 1. Where the assignee pays in cash, the exact amount of the premium due will be computed from the execution of a FCI-19 prior to the completion of Form FCI-21. The correct amount of the premium will be forwarded to the Examining Section, Room 400, Old Post Office Building, Washington, D. C., accompanied by a memorandum setting forth sufficient information to identify the indebtedness for which the refund is submitted. When this application is listed on the FCI-22, the amount of the premium collected shall be entered in Column G and the notation "Paid cash" entered on the same line.
- 2. If the assignee executes an ACP-100, the amount of the premium as computed and entered in Section III, e, of FCI-19 will be entered in Column G of FCI-22.
- B. Where the verified copy of FCI-22 has been returned to the county office by the State office.
  - 1. Where the assignee pays the entire premium in cash forward the amount to the Examining Section, Room 400, Old Post Office Building, Washington, D. C., accompanied by a memorandum setting forth sufficient information to identify the indebtedness for which the refund is submitted. Remove the name of the assignor from the corresponding verified copy of FCI-22, thereby removing the amount from the county office register of indebtedness.
  - 2. Where the assignee executes an ACP-100 enter the name of the assignee on the corresponding FCI-22 and remove the name of the assigner, thereby placing the name of the assignee on the county register of indebtedness. Transmit the ACP-100 in the regular manner and attach to the ACP-100, four copies of a memorandum prepared in quintuplicate stating that the assignee has assumed the payment of the entire crop insurance premium and that the name of the assignor should now be removed from the register of indebtedness and the name of the assignee should be substituted. The State office will correct its copy of the original FCI-22 and forward two copies of the memorandum to the Examining Section, Room 400, Old Post Office Building, Washington, D. C.

## II. Where a Request is Made for Partial Transfer of Interest.

- A. Prior to the time the amount appearing on the ACP-100 has been repaid.
  - 1. Where "Notice of Seeding", FCI-19, has not been filed in the State office.

- a. The assignee may pay his share of the premium in cash or execute an ACP-100 for the amount of the premium covering his interest. If one of these conditions cannot be met, transfer of interest may not be approved by the county committee, and the original applicant will be liable for the entire premium in accordance with the ACP-100 executed by him. Where the transfer has been approved, both the name of the assignee and assignor will be entered on FCI-22, the word "assignee" appearing with the name of the assignee, and the interest of each will be shown.
  - (1) Where the assignee pays in cash, the collection will be forwarded to the Examining Section, Room 400, Old Post Office Building, Washington, D. C., accompanied by a memorandum setting forth sufficient information to identify the indebtedness for which the refund is submitted. The county office will notify the State office of the amount of the collection and this notation will be attached to the corresponding ACP-100 on file in the State office.
  - (2) If the assignee executes an ACP-100 this form will be marked "Partial Transfer". In this case, both the names of the assignee and the assignor will appear on the FCI-22 in the respective amounts due, and thereby become a part of the county office register of indebtedness.
- 2. Where the verified copy of the FCI-22 has been returned to the county office by the State office.
  - a. The assignee may pay his share of the premium in cash or by the execution of an ACP-100 for the amount of the premium covering his interest. If one of these conditions cannot be met, transfer to interest will not be approved by the county committee. The Agricultural Adjustment Administration, in such event, will hold the original applicant liable for the entire premium in accordance with the ACP-100 executed by him.
    - (1) If the assignee pays in cash, forward the collection to the Examining Section, Room 400, Old Post Office Building, Washington, D. C., accompanied by a memorandum setting forth sufficient information to identify the indeptedness for which the refund is submitted. Correct the county office copy of the FCI-22 to show the correct premium collected from the assignee and the amount still due from the assigner, and advise the State office accordingly.

Where the assignee executes Form ACP-100. correct the county office copy of the FCI-22 to show the correct amount of the premium due from both the assignor and the assignee. Transmit the ACP-100 to the State office accompanied by four copies of a memorandum prepared in quintuplicate setting forth the changes required on the original FCI-22 as a result of the transfer. Upon receipt of the four copies of the memorandum in the State office, the original will be forwarded to the Branch Office of the Federal Crop Insurance Corporation, one copy filed in the State office. and two copies forwarded to the Examining Section, Room 400, Old Post Office Building, Washington. D. C.

Cash collections should be submitted in the form of postal money order, certified check, or cashier's check, drawn payable to the Treasurer of the United States, and should be forwarded to the Examining Section, Room 400, Old Post Office Building, Washington, D. C. A memorandum setting forth sufficient information to identify the indebtedness for which the refund is submitted should be enclosed with the remittance.

// H. L. Manwaring

Acting Director, Northeast Division.